

Message Text

LIMITED OFFICIAL USE

PAGE 01 ABU DH 01449 221237Z
ACTION NEA-11

INFO OCT-01 ISO-00 EB-08 STR-07 TRSE-00 OES-07 DOE-15
SOE-02 CIAE-00 INR-10 NSAE-00 L-03 /064 W
-----077322 221350Z /42
R 221104Z MAY 78
FM AMEMBASSY ABU DHABI
TO SECSTATE WASHDC 7861
INFO USDOC WASHDC

LIMITED OFFICIAL USE ABU DHABI 1449

E.O. 11652: N/A
TAGS: BPRO, TC
SUBJECT: LUBE BLENDING PLANT AT UMM AL NAR

REF: STATE 129183

1. BEGIN UNCLASSIFIED: ABU DHABI NATIONAL OIL COMPANY (ADNOC)
SIGNED MAY 20 AGREEMENT WITH ESSO EUROPE FOR TECHNICAL ASSISTANCE
IN MANAGEMENT OF \$5 MILLION LUBE BLENDING PLANT AND MARKETING OF
ESSO LUBRICANTS (ALMOST ENTIRELY PLANT'S PRODUCTS UNDER ESSO BRAND
NAME)
THROUGHOUT UAE. AGREEMENT DOES NOT CALL FOR ANY ESSO EQUITY INVESTMENT

NOR PERMANENT STATIONING OF EXPATRIATE PERSONNEL IN ABU DHABI. PLANT,
WHICH WILL COME ON STREAM IN APRIL 1979, IS EXPECTED TO SELL 15-16
THOUSAND TONS OF PRODUCTS IN FIRST YEARS. INGREDIENTS WORTH ABOUT \$2.5

MILLION PER YEAR WILL BE IMPORTED PRINCIPALLY FROM UK AND ITALY. NO
U.S. PRODUCTS ARE SCHEDULED FOR IMPORTATION. PLANT WILL BE
LOCATED ON SITE OF CURRENT REFINERY LOCATED AT
UMM AL NAR ISLAND NEXT TO ABU DHABI ISLAND AND WILL BE BUILT BY
INDIAN CONSTRUCTION FRIM. END UNCLASSIFIED.

2. BEGIN LIMITED OFFICIAL USE. WELL INFORMED SOURCES
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 ABU DH 01449 221237Z

SAY THAT ESSO'S PRIME MOTIVATION FOR ENTRY INTO ALREADY CROWDED
UAE MARKET IS DISIRE TO STRENGTHEN ONGOING RELATIONSHIP WITH
ADNOC AS SOURCE OF POSSIBLE FUTURE CRUDE SUPPLIES GULF CORP.
HAS LUBE BLENDING PLANT IN SHARJAH AND CALTEX RECENTLY
OPENED SIMILAR PLANT IN DUBAI. ADNOC'S INTEREST IN ESSO
WAS TO SEEK PARTNER WHO COULD GIVE DISTRIBUTORSHIP FOR
PRODUCTS THROUGHOUT UAE WHICH SEVERAL OF ESSO'S OBVIOUS

COMPETITORS WOULD BE PRECLUDED FROM OFFERING. (ADNOC
CURRENTLY PEDDLING BP LUBRICANTS IN ABDU DHABI EMIRATE BUT BP
COULD NOT OFFER DISTRIBUTORSHIPS IN NORTHERN EMIRATES TO ADNOC
BECAUSE OF PREVIOUS EXISTING RELATIONSHIPS.) ESSO SOURCES TELL US THAT

MARKETING UNDER ESSO NAME OF PRODUCTS NOT MADE IN ESSO
PLANTS IS VERY UNUSUAL. PRESENT ARRANGEMENT IN THIN LOCAL MARKET,
THEREFORE, SHOULD BE CONSIDERED SIGN OF ESSO'S INTEREST IN ABU DHABI
RATHER THAN SEARCH FOR QUICK BUCK. END LIMITED OFFICIAL USE
DICKMAN

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 22 may 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978ABUDH01449
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780215-0457
Format: TEL
From: ABU DHABI
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780535/aaaabdjp.tel
Line Count: 72
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 28ce8a99-c288-dd11-92da-001cc4696bcc
Office: ACTION NEA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 78 STATE 129183
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2622233
Secure: OPEN
Status: NATIVE
Subject: LUBE BLENDING PLANT AT UMM AL NAR
TAGS: BPRO, TC
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/28ce8a99-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014